

**UNALASKA MARINE CENTER**

**UNALASKA, ALASKA**

**REQUEST FOR PROPOSALS**

**FOR**

**PREFERENTIAL USE OF UNALASKA MARINE CENTER  
POSITIONS 4-7 AT THE INTERNATIONAL PORT OF DUCTH  
HARBOR**

**MARCH 2015**

**Prepared by:**

**City of Unalaska  
43 Raven Way  
PO Box 610  
Unalaska, Alaska 99685**

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### EXHIBITS

- A. Standard Form of Preferential Use Agreement
- B. Overall Concept Layout
- C. Proposal Form
- D. Survey/Drawing Showing Back Reach Property [see HRX Exh. A]
- E. Terminal Tariff No. 6

## I. Solicitation

The City of Unalaska (Owner) is soliciting competitive sealed proposals from maritime domestic and international shippers for use of Unalaska Marine Center positions 4-7. A successful proposal will provide details of regular linehaul vessel service to Unalaska Marine Center, and the successful proposer(s) will be offered the opportunity to negotiate a Preferential Use Agreement with the City of Unalaska. A shipper/s given a PUA for Position 4-7 or a combination of positions 4-7 will also be allowed to lease a portion of uplands in the area commonly known as the "back reach" [up to 81000 square feet]. The back-reach rental area is between the traffic approaches at Positions 5-7. Traffic approaches will remain accessible to the public. The selected Proposer(s) will join the Owner and Design Team in finalizing some details of the design to fit the needs of the Proposer such as location of and gage of any additional crane rails, and utility requirements. A schematic of the design concept is included with these materials. Potential proposers should be aware that the information presented is at a design development level of completion and will be finalized with the Proposer's participation.

**Comment [B1]:** Need to decide whether to use Arabic or roman numerals.

The successful Proposer(s) will be provided preferential berthing at Position 4 or a combination of positions 4-7 for a specified number of hours each week or month at a negotiated rate for dockage and wharfage which may be more or less than the published tariff rate.

This document sets forth information regarding the selection process. The intent is to select a Proposer(s) offering the best combination of attributes and financial incentives for use of Positions 4-7 and adjacent back-reach.

Any costs incurred in response to this request are at the proposer's sole risk and will not be reimbursed by the Owner. The City of Unalaska reserves the right to reject any and all proposals, to waive informalities, to reject non-conforming, non-responsive, or conditional proposals, and to proceed utilizing a different process.

## II. Proposals

All proposals must be submitted in sealed envelopes bearing on the outside the name PREFERENTIAL USE PROPOSAL-UNALASKA MARINE CENTER and shall be submitted by mail or in person at the place and no later than the time specified below. Any proposals not submitted at the time or place so specified shall not be opened or considered.

Proposals shall be opened so as to avoid disclosing their contents to competing Offerors during the selection process. Proposals will be collected for review by a Selection Committee as outlined below, and will not be publicly opened or read aloud. Proposals, tabulations, and valuations thereof shall be open to public inspection only after issuance of a recommendation by the Selection Committee to the City Council for award of a contract. Proposers are advised that "overnight" or "express mail" deliveries to Unalaska take longer than in many parts of the United States. Questions of fact regarding circumstances such as weather, delay of mails, etc., which circumvent

legitimate timely receipt of an otherwise responsive proposal, will be decided by the Owner.

SUBMITTAL DEADLINE: , 2015 at 2:00 PM.

SUBMIT RESPONSES TO: City of Unalaska, c/o Cat Hazen, City Clerk, 43 Raven's Way, PO Box 610, Unalaska, Alaska 99685.

MARK SUBMITTALS: "Preferential Use Proposal – Unalaska Marine Center".

REQUIRED COPIES: Five (5) hard copies and 1 pdf copy on a disk or flash drive.

### **III. Background, Project Summary and Funding**

Unalaska is a 1<sup>st</sup> Class City, population 4,768, located in the eastern Aleutian Islands 50 miles from the Great Circle Route. It lies 800 air miles southwest of Anchorage.

The International Port of Dutch Harbor operates the only deep draft ice free port from Unimak Pass to Adak. The Unalaska Marine Center dock has a depth of 45-50 feet at MLW and is currently used to load and unload domestic and international container ships and container barges through a single designated position. A 40 ton crane owned and operated by Horizon Lines on City rails serves containerized vessels. North Pacific Fuel operates fueling facilities at the UMC. The Unalaska Marine Center also manages a general storage and staging area commonly known as the "back reach". This area is approximately 81000 square feet in size and is shown in Exhibit D.

Rates for dockage, wharfage, and use of the back reach are set by tariff. A copy of the current tariff is attached as Exhibit E.

The City is in the design concept phase of adding two additional positions of which position 4 will add 220 feet of continuous dock with the existing 700 feet of dock at positions 5-7. The combination of positions 4-7 will be capable of handling container vessels in excess of 1000 feet in length. Position 4 as currently designed will have approximately 220' of available dock face. The new position is intended to provide the Unalaska Marine Center with the capability of docking and unloading larger container ships or multiple container vessels simultaneously. PND Engineers, Inc. is providing design services for this project. The current design concept is shown in Exhibit B.

The total project cost is estimated at 46 million. The City intends to seek financing of some of the project cost based on commitments from shippers to use the new positions which interest will be expressed in responses to this Request for Proposals. This is similar to the approach to financing the original construction of the Unalaska Marine Center in 1989.

The City of Unalaska is now ready to solicit interest in preferential use of Position 4 and/or 5-7 from the maritime shipping community.

#### **IV. Schedule**

The City intends to complete final construction documents for the project by February 2016.

Design of the dock improvement will be complete by October, 2015. Installation of the dock improvement in 2016 and 2017 is desired by the City.

The City intends to place the two new positions in service by September 2017. Construction schedule is subject to change.

#### **V. Scope of Proposals**

The selected Proposer will enter into a preferential use agreement with the City which will contain details regarding the following terms:

- Term
- Guaranteed minimum payment
- Proposed wharfage and dockage rates for both large vessels and barges connecting with larger vessels for cargo transshipments.
- Specific Improvements required to serve Proposer's anticipated needs for utilities
- Whether crane additional rails are needed and the specification of the rails including length and gage.
- Dock time required per week
- Volume of Cargo
- Back reach space needs and proposed lease rate for back reach.
- Details of anticipated barge use in conjunction with cargo transshipments
- Reporting methodology for payment
- Utilization of established local labor

#### **VI. Type of Contract**

A Preferential Use Agreement will be used for the contract between the selected Proposer(s) and the City of Unalaska ("City") and is attached as Exhibit A. Note that the Agreement leaves a number of details to be determined based on either the Proposer's response to this RFP or additional negotiations between the successful Proposer(s) and the City. Being selected as the successful Proposer(s) does not compel the City to accept all terms of the proposal or even to enter into a PUA with the Proposer. But the City will only negotiate terms initially with Proposer(s) selected in response to this RFP.

The contractor must provide a guaranteed minimum annual payment (GMP) based on a designated amount of tonnage with a proposed rate for wharfage that will apply when the GMP tonnage amount is exceeded. GMP will be based on anticipated use. Compensation for use beyond the GMP tonnage amount will be based on the current tariff and be either at a premium to or discount from the current tariff. Each Proposer must identify on a percentage basis the amount of premium or discount proposed.

## VII. Bonds, Certifications, and Other Requirements

### Bonds:

Proposers are not required to submit a bond. Insurance requirements are contained in the form PUA.

## VIII. Selection Process

Proposals will be reviewed by a Selection Committee established for this particular RFP. Each committee member will rate each proposal.

The selection criteria will be scored on the maximum points available as listed below. A proposer's total score will be the sum of the points received. A proposer may receive a maximum of 100 points by any single committee member.

<u>Contractor Selection Criteria</u>	<u>Maximum Points</u>	<u>Percent of Max. Score</u>
<b>GMP Proposal</b>		
1. Guaranteed Minimum Price (GMP).	50	50%
<b>Other Proposed Terms</b>		
2. Term of PUA	5	5%
3. Proposed Barge Use Procedures and Payments	5	5%
4. Time Required Per Week.	10	10%
5. Proposed Back Reach Lease Area and Rental Rate.	10	10%
6. Proposed Premium or Discount to Tariff Rate	5	5%
7. Past Compliance with City ordinances and Port Tariff	5	5%
8. Anticipated Total Tonnage	5	5%
9. Utilization of Local Labor	5	5%
<b>Total Possible Points</b>	<b>100</b>	<b>100%</b>

The highest responsive GMP proposal shall receive full points for this criterion, which shall be 50. All other GMP Proposals shall be awarded points based on the percentage that each proposal is below the highest bid. The formula is GMP divided by Highest GMP, multiplied by criteria points available.  $[(GMP/HGCP) \times \text{Points} = \text{Score}]$ . The score for the GMP criteria will be derived using a formula that compares all Offerors to each other, and then added to each Committee member's score sheet.

For each Other Proposed Terms, the individual category scores awarded by a particular Selection Committee member will be added together to calculate a total non-price score for that Proposal. The maximum total non-price score is 50.

The combined Committee score will be assigned to each proposal to determine an initial ranking. The highest rated Offerors from this list may be invited to make oral presentations to the Committee on/or about the week of May 26, 2015, in Unalaska. Interviewed firms will be re-scored by the Committee using the same criteria listed above. The City's intent is to exercise this option only in the case of a tie or substantially equal score between proposals. The Committee may elect to forego oral presentations and recommend a contract award after initial rankings are compiled. In either case, the Committee's recommendation for contract award will be forwarded to the Unalaska City Council for review and approval.

The City of Unalaska intends to award a contract to the firm, which in the Committee's judgment and with the Council's approval will provide the most cost effective agreement for the City.

#### **IX. Proposal Content and Format**

**Content:** Proposals should only address the selection criteria listed in section VIII, and brevity is encouraged.

#### **GMP Proposal:**

1. Guaranteed Minimum Price:
  - a. The guaranteed minimum price (GMP)
  - b. Anticipated total tonnage.

#### **Other Proposed Terms:**

2. Term: Identify the proposed length of the initial term for the PUA in years.
3. Proposed Barge Use Procedures and Payment: Proposals must include a summary of the frequency of anticipated use of the facilities under the PUA by barges connecting for transshipment of cargo, whether those barges are included within the scope of PUA provisions, procedures for scheduling such barges and wharfage and dockage rate for use of the facilities by barges connecting for transshipment of cargo.
4. Time Required per Week: Identify the number of hours the Proposer intends to be at the dock each week during the term of the PUA. Hours to include both large vessels and barges connecting to large vessels for cargo transshipments.
5. Proposed Back Reach Rental Rate: Identify the amount of back reach space in square feet up to a maximum of 81000 square feet [City will retain right to assign specific area of back reach] and a proposed rental rate.

6. Proposed Premium or Discount to Tariff Rate: Proposals should identify on a percentage basis the amount of increase or decrease from tariff rates for wharfage desired on a percentage basis once the GMP payment equals the applicable tariff rates based on actual use of the dock.

7. Past Compliance with City Ordinances and Tariff: Provide a summary of your firm's compliance with city ordinances (sales and property tax, and land use primarily) and whether you have any current disputes with the city based in whole or in part on the tariff, tax codes or other provisions of city code or the terms of any current or past agreement between you and the City. Include a brief description of any past compliance issues or disputes.

8. Anticipated Total Tonnage: Provide summary of anticipated annual tonnage by linehaul vessels and barges or feeder vessels if applicable.

9. Utilization of Local Labor: Provide summary of your intent to use local labor. Include a description of recruitment and training plans intended to increase the pool of qualified local labor to service Proposer's vessels.

Provide copy of the Proposer's State of Alaska Business License.

**Format:** Submittals must adhere to the following criteria.

Cover Letter: 1 page maximum.

Total Page Count: 25 pages maximum, excluding cover letter, table of contents, dividers, and Business License.

One page is defined as one side of a standard 8 1/2" x 11" sheet of paper.

#### **X. Additional Information**

1. The City of Unalaska is not liable for any costs incurred by Proposers prior to the issuance and execution of a formal Preferential Use Agreement with any Proposer selected as a result of the RFP process. All proposal preparation and other costs in responding to this RFP shall be the sole responsibility of the Proposers.
2. The City reserves the right to waive any informality, and to make a selection as deemed in its own best interest. This includes the right to cancel the solicitation at any time, reject any or all proposals when such rejection is in the interest of City; and to reject the proposal of a Proposer who is not, in the opinion of the City, in a position to perform as promised; and the right to proceed utilizing a different process.

All information submitted in response to this RFP is considered Public Records under the Alaska Public Records Act. If you regard your estimate of Anticipated Total Tonnage proprietary or otherwise confidential such information should be submitted in a separate sealed envelope prominently marked "CONFIDENTIAL". Any information

**Comment [B2]:** Not sure we want to add this but seemed like it would be nice for someone to work with the high school to create the potential for jobs right out of high school. I really don't know how someone gets "in" to this line of work so maybe this is unrealistic for a shipper to do as opposed to ILWU or Pac Steve.



clearly designated as proprietary by any Proposer (by stamping pages of the proposal "Confidential") will not be made available for public inspection unless the City determines disclosure is required by law in which case the Proposer will be provided prior written notice and an opportunity to object to public inspection.

3.

4. Questions will be accepted in writing until, 2015 and 5:00 pm. Submit questions to Peggy McLaughlin, Port Director, Unalaska, AK, p: 907.581.1254, ([pmclaughlin@ci.unalaska.ak.us](mailto:pmclaughlin@ci.unalaska.ak.us)). Reasonable effort will be made to insure that Offerors receive all addenda when issued. Notification of Addenda will only be sent by email. Receipt of email notification is requested for each addendum. All addenda shall be acknowledged on the GMP Proposal Form. If no addenda are received by the bidder, the word "None" shall be shown as specified.

5. The GMP portion of any Proposal may be modified or withdrawn by written notice received at the City of Unalaska prior to the time and date set for opening. A facsimile modification or withdrawal received prior to the time and date set for opening will be effective if received at the office prior to the time and date set for bid opening. The fax number to use is 907-581-1417. It is the Proposer's responsibility to ensure that any and all faxes are received and are legible. Written or facsimile modifications shall not reveal the GMP, but shall provide the addition, subtraction, or other modification so that the final GMP prices or terms will not be known by the Owner until the sealed proposal is opened. Negligence on the part of the Offeror in preparing the proposal does not confer the right for the withdrawal of the proposal after it has been opened.

6. This RFP package with a complete set of exhibits and attachments in pdf format is available from several sources, including the City [chazen@ci.unalaska.ak.us](mailto:chazen@ci.unalaska.ak.us) . It can also be obtained from the City Website [www.ci.unalaska.ak.us/](http://www.ci.unalaska.ak.us/).

7. It is the Owner's intent to review and score the proposals and to enter into one or more Preferential Use Agreements PUA's will be offered based on the proposal scoring the highest. The City will enter into preferential use agreements, which in the Committee's judgment and with the City Council approval will provide the most cost effective arrangement for the City.